

Johnson & Johnson

1970 ANNUAL REPORT



Contents

Two Years In Brief	1
Chairman's Report:	
Worldwide Operations	2
International Operations	5
Board of Directors:	
Years of Service	8-9
Consolidated Financial Statements ..	10-12
Accountants' Report	12
Notes to Consolidated	
Financial Statements	13
Ten Year Statistical Summary	14-15
Domestic Operations	16
International Operations ..	Inside back cover

Board of Directors

*A. J. ABBRUZZE
*S. C. ANDERSON
*J. E. BURKE
*D. R. CLARE
*R. J. DIXSON
*W. J. HAINES
*P. B. HOFMANN
*W. J. HOLMAN, JR.
J. S. JOHNSON
A. S. LANE
H. S. McNEIL
*H M POOLE, JR.
*V. J. ROBINSON
*R. B. SELLARS
*J. J. SMITH
*F. B. WHITLOCK

*Executive Committee

Corporate Officers

P. B. HOFMANN
Chairman, Board of Directors
Chief Executive Officer

R. B. SELLARS
Chairman, Executive Committee
President

J. S. JOHNSON
Chairman, Finance Committee
Vice President

J. J. HELDRICH
Vice President

S. C. ANDERSON
Treasurer

L. T. WOOD
General Controller
Assistant Treasurer

D. E. COLLINS
Secretary

Common Stock:
Listed New York Stock Exchange

Transfer Agent:
Morgan Guaranty Trust Company of New York
30 West Broadway, New York, N.Y. 10015

Registrar:
The Chase Manhattan Bank
1 Chase Manhattan Plaza, New York, N.Y. 10015

Principal Office:
501 George Street, New Brunswick, N.J. 08903

Annual Meeting:

The Annual Meeting of Stockholders will take place April 13, 1971, at the offices of Ortho Pharmaceutical Corporation, U. S. Highway No. 202, Raritan, New Jersey. The meeting will convene at 11:15 A.M. All stockholders are cordially invited to attend. A formal Notice of Meeting, Proxy Statement and Proxy accompany this report.

Johnson & Johnson 1970 ANNUAL REPORT

TWO YEARS IN BRIEF

WORLDWIDE:

	<u>1970</u>	<u>1969</u>
Sales to Customers	\$1,002,035,000	901,880,000
Net Earnings	83,656,000	69,422,000
Per Share	1.51	1.27
Cash Dividends Paid	18,887,000	15,522,000
Per Share34	.28
Property Additions	52,783,000	55,486,000
Working Capital	325,257,000	271,666,000
Stockholders' Equity	533,829,000	459,337,000
Per Share at Year-End	9.57	8.30
Number of Stockholders	19,100	14,300
Average Number of Shares Outstanding	55,542,000	54,805,000
Number of Employees at Year-End	38,200	37,400



Chairman's Report to Stockholders

Worldwide Operations

Sales and Earnings

Effective with the year 1970, results are being stated on a worldwide consolidated basis in order to conform to current reporting practices. The effect of this change on previously reported 1969 results is indicated in Note 1 to the Consolidated Financial Statements.

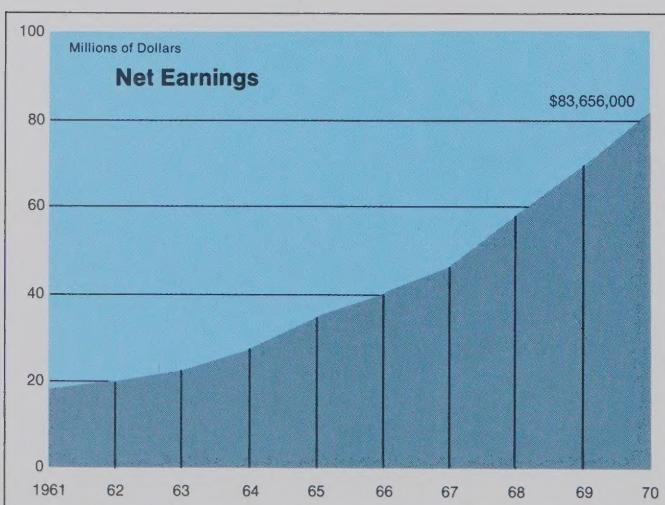
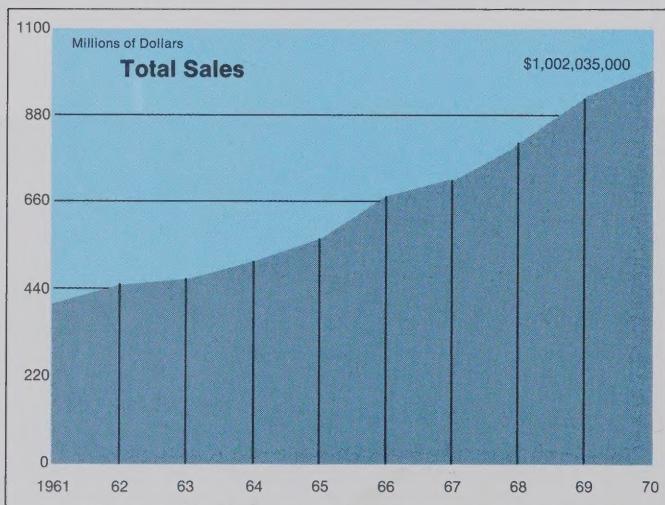
Consolidated sales of \$1,002,035,000 for the fifty-three weeks ended January 3, 1971 were the highest in the history of the Company, exceeding sales of \$901,880,000 for the fifty-two weeks ended December 28, 1969 by 11.1%.

Consolidated net earnings of \$83,656,000 for the fifty-three weeks ended January 3, 1971 were also the

highest in the Company's history, having increased 20.5% over earnings of \$69,422,000 for the fifty-two weeks ended December 28, 1969.

Earnings per share were \$1.51 on 55,541,987 shares, representing the average number of shares of common stock outstanding during 1970. This compares with \$1.27 on 54,805,254 shares, the average number of shares of common stock outstanding for the year 1969.

Sales and contributions to income by major line of business, after corporate expenses and before taxes on income, for the fifty-three weeks ended January 3, 1971, compared to the fifty-two weeks ended December 28, 1969, were as follows:



	1970		1969	
	% of Sales	% of Income Before Taxes	% of Sales	% of Income Before Taxes
Domestic				
Health Care . .	55	56	55	56
Industrial and				
Other	15	11	17	14
International . .	30	33	28	30

The approximate contributions to worldwide sales by classes of similar products for the fifty-three weeks ended January 3, 1971, compared to the fifty-two weeks ended December 28, 1969, were as follows:

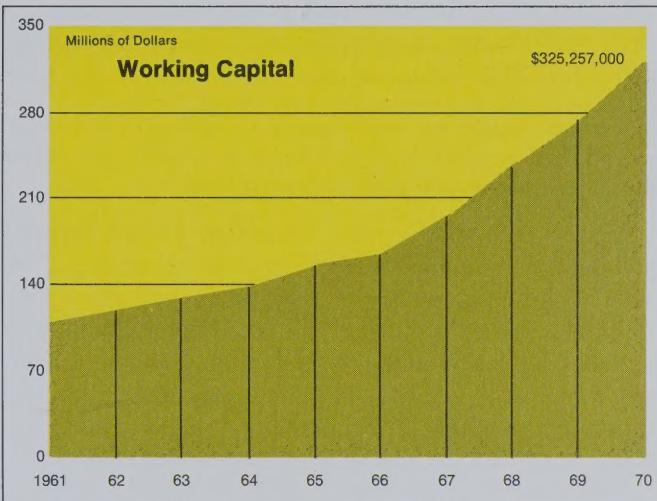
	1970	1969
Surgical dressings, ligatures and sutures, surgical instruments, surgical specialties and related items	35%	35%
Toiletries and hygienic products (product class includes baby care items)	28	27
Prescription and non-prescription drugs, diagnostics, therapeutics, contraceptives, and veterinary products	19	18
Industrial tapes and adhesives, textiles, paper products and other	18	20

Dividends

The Company declared and paid dividends totaling \$.34 per share on its common stock during 1970:

Date Paid	Amount Per Share
March 11, 1970 . .	\$.10 (includes \$.033 extra)
June 11, 197008
September 11, 1970 . .	.08
December 11, 1970 . .	.08
	<hr/>
	\$.34
	<hr/>

On January 18, 1971, the Board of Directors declared a regular quarterly dividend of \$.10 per share, an increase of \$.02 per share, and an extra dividend of \$.03 per share. Both dividends were paid on March 10, 1971, to stockholders of record on February 26, 1971.



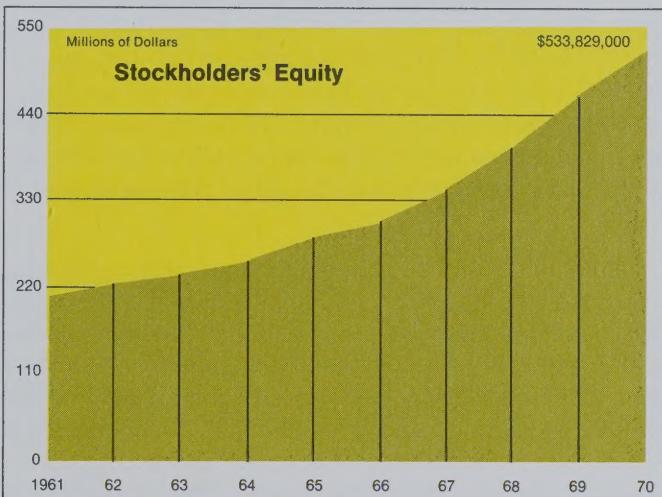
Capital Stock

At the Annual Meeting on April 14, 1970, the stockholders of Johnson & Johnson voted to increase the authorized number of shares of common stock from 21,000,000 to 63,000,000 with a change in par value from \$5.00 to \$2.50, and to issue two additional shares of common stock for each share held on April 17, 1970. On May 15, 1970 two additional shares for each share held were mailed to stockholders.

At the Annual Meeting, the shareholders also approved the amended and restated Certificate of Incorporation which was attached to the Proxy Statement. The amended and restated Certificate of Incorporation, among other things, authorizes a class of 2,000,000 shares of preferred stock, without par value, issuable in series as determined from time to time by the Board of Directors.

The Company plans to continue its policy of purchasing its common stock from time to time to be used for Corporate purposes; 5,000 shares were purchased in 1970.

At year-end the Company was obligated to deliver, over a period of not more than four years, 70,970 shares of common stock in the performance of outstanding stock compensation agreements with 1,859 employees.



Activity during 1970 under the Company's stock option plans is summarized below in shares:

Held at beginning of year by 481 employees (adjusted for 3-for-1 stock split) . . .	877,887
Granted to 249 employees	229,650
	<hr/>
	1,107,537
Exercised	259,549
Cancelled by reason of death or termination of employment	14,663
	<hr/>
Held at end of year by 650 employees	833,325
	<hr/>

Research

During the fifty-three week period ended January 3, 1971, \$41,102,000 were spent on worldwide research activities. This compares to \$35,582,000 for the fifty-two weeks ended December 28, 1969.

Property Expansion and Expenditures

During 1970, there were a number of construction projects at various of our locations throughout the world. Principal among these were new plants for Arbrook, Inc. at Arlington, Texas; Pitman-Moore, Inc. at Washington Crossing, New Jersey; Johnson & Johnson at Lemont, Illinois; and Chicopee Manufacturing Company at North Little Rock, Arkansas. Additions were made to the facilities of Ortho Pharmaceutical Corporation, Raritan, New Jersey; Johnson & Johnson, Sherman, Texas; Ethicon, Inc., Bridgewater, New Jersey; and Cel-Fibe and Personal Products Company, Milltown, New Jersey.

New plants were constructed in Australia and Brazil, and additions to facilities were made in Belgium, France, Germany, Mexico, Scotland and Sweden.

Total additions to property, plant and equipment were \$52,783,000 in 1970. The provision for depreciation and amortization was \$31,784,000. Depreciation and amortization are determined generally for book and tax purposes by an accelerated method for domestic companies and principally on a straight-line

basis for foreign companies. The domestic investment tax credit continues to be apportioned over the lives of the related assets.

We anticipate that 1971 additions for property, plant and equipment will cost approximately \$85,000,000.

Executive Personnel Changes

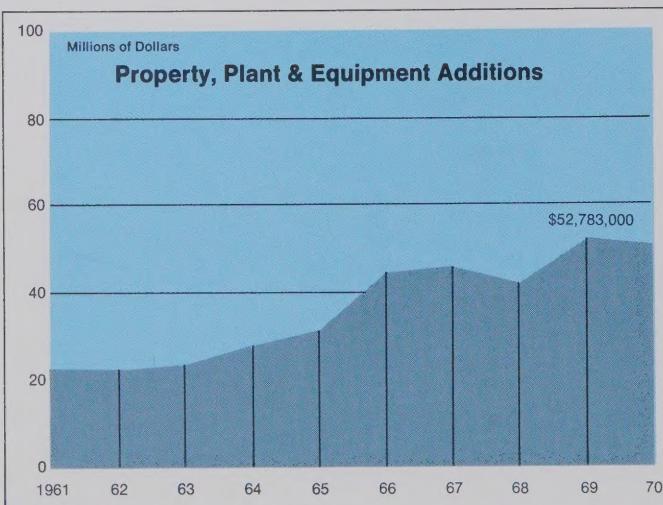
In January of 1971 Mr. Gustav O. Lienhard retired as Chairman of the Executive Committee of the Board of Directors, after 39 years of distinguished service to the Company. In the preceding months, as Mr. Lienhard approached mandatory retirement age, he relinquished the title of President of Johnson & Johnson Worldwide and President of Johnson & Johnson International. I know of no executive who has given more to a company than has Mr. Lienhard during his years with Johnson & Johnson. We are going to miss his presence.

A long-standing company policy has been to carefully prepare for such transitions, even one as important as this.

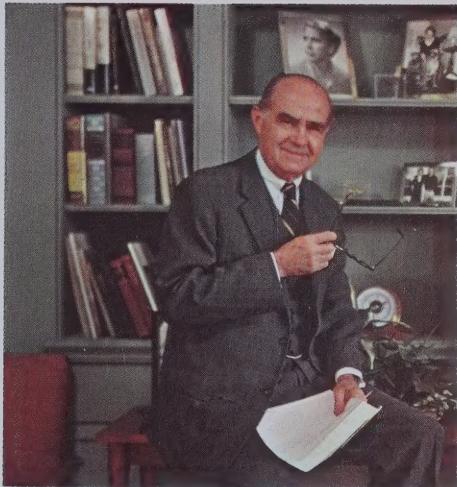
Mr. Lienhard has been ably succeeded in all three capacities, as Chairman of the Executive Committee, as President of Johnson & Johnson Worldwide and as President of Johnson & Johnson International, by Mr. Richard B. Sellars. In his 32 years with the Company, Mr. Sellars has held a wide range of executive responsibilities in our domestic and international operations, including those of Chairman of the Boards of Ethicon, Inc., and Ortho Pharmaceutical Corporation, and Vice Chairman of Johnson & Johnson International. Mr. Sellars is eminently qualified to carry on the responsibilities held by Mr. Lienhard.

Other changes in the Board of Directors include the following:

In June, after 29 years of outstanding service, Mr. John J. Gibson, Vice President-Finance, Director and Member of the Executive Committee, retired for reasons of health. Mr. Stanley C. Anderson, Treasurer, was elected to the Board of Directors and appointed to the Executive Committee to succeed Mr. Gibson.



G. O. Lienhard



In April, Mr. James E. Burke assumed the position of Chairman of the Board of the Domestic Operating Company and also became Chairman of the Boards of Personal Products Company and Cellulose Products Corporation, in addition to assuming responsibilities for several of our overseas operations. Mr. Burke has been serving as a member of the Board of Directors and the Executive Committee.

Mr. David R. Clare succeeded Mr. Burke as President of the Domestic Operating Company in April, and in January of 1971 was elected to the Board of Directors and appointed to the Executive Committee.

Also in April, Mr. Anthony J. Abbruzze succeeded Mr. Sellars as Chairman of the Boards of Ethicon, Inc., Arbrook, Inc., and Codman & Shurtleff, Inc. In January of 1971 Mr. Abbruzze was elected to the Board of Directors and appointed to the Executive Committee.

General

The Damon Corporation, Needham Heights, Massachusetts, has in clinical test a new automated blood chemistry instrument which has been under development for some time. This analytical system will be introduced to the medical profession in the near future by Ortho Diagnostics, a division of Ortho Pharmaceutical Corporation. Both Ortho and Damon consider this to be a promising development.

The Phytogen project, started in Puerto Rico a number of years ago, was discontinued.

During the year a number of other small businesses and/or products were acquired or discontinued, none of which we believe at this time will have a significant effect on sales or net income.

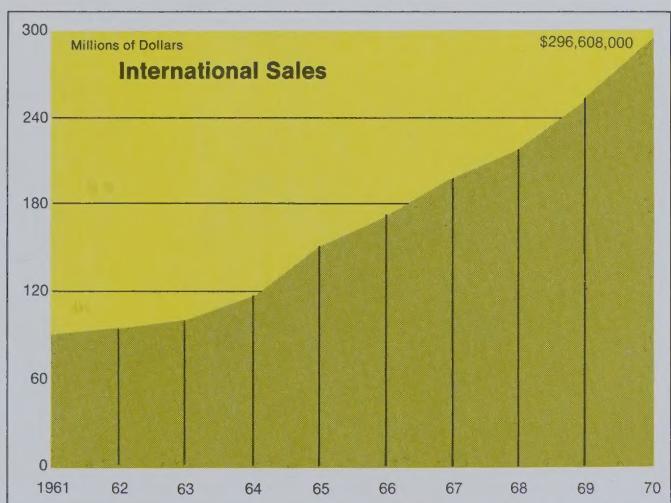
International Operations

Sales and Earnings

Consolidated sales of foreign subsidiaries for the fifty-three weeks ended January 3, 1971 were \$296,608,000. Sales for the fifty-two weeks ended December 28, 1969 were \$254,156,000. Net earnings for the fifty-three weeks ended January 3, 1971 were \$30,015,000, compared to \$22,967,000 for the fifty-two weeks ended December 28, 1969. Earnings are net of provisions for exchange losses of \$806,000 in 1970 and \$602,000 in 1969. Included in the 1969 provision was an addition to the reserve for exchange losses of \$500,000.

Fifty-two Years of Progress

The international growth of Johnson & Johnson has been both dynamic and orderly. The Company began its international operations more than fifty years ago, and today there are sixty-one manufacturing facilities



in thirty-three countries, not including those in the United States. Nearly thirty-three thousand trademarks are registered in more than one hundred nations on six continents, and the Company's products are marketed in most of the countries of the world.

In 1919 Johnson & Johnson ventured north to robust Canada to establish the first international Johnson & Johnson facility. Shortly thereafter, operations were established in Great Britain, Mexico, Australia, Brazil, Argentina, and a steady succession of new companies were formed in distant lands such as India, Japan and Pakistan. In exploring the sometimes unpredictable marketplaces of the world, Johnson & Johnson maintained the two basic guidelines of management integrity and product quality.

The challenge of a worldwide operation frequently lies in a company's ability to understand and respond to local customs and related consumer needs. Johnson & Johnson's long-standing policy of encouraging the training and development of local people to manage its overseas businesses has been rewarding. The success of the international operations is a credit to the more than sixteen thousand men and women who comprise the overseas staffs of Johnson & Johnson companies.

The research achievements of the Company's overseas operations have resulted in new products for the United States and other parts of the world. Dr. Paul A. J. Janssen of Janssen Pharmaceutica n.v. in Beerse, Belgium, has done significant research and development of products in the area of psychiatric medicine and these have achieved worldwide recognition.

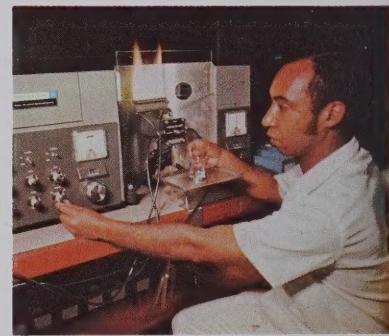


Baby Products, Japan

Relating to the needs of a particular country often engenders special efforts in the research laboratory. In Brazil, for instance, Johnson & Johnson established the Research Center for Endemic Disease, the first of its



Janssen Research,
Belgium



Johnson & Johnson, Brazil

kind in Latin America. Here, basic research is carried on to conquer diseases indigenous to that area of the world. In each country where the Company has research facilities, there is a continuing concern for the health needs of the people of that nation.

Growth of the overseas companies continues to be encouraging, and special attention is given to establishing operations in the developing nations of the world. In the past year the Company has formed subsidiaries in Nigeria, Kenya and Thailand. As new overseas companies are established, Johnson & Johnson continues to place emphasis on making constructive contributions to the local environment, not only in terms of an individual nation's health and welfare, but also in terms of furthering that country's economic development.

All Directors and Officers of the Company join me in expressing appreciation to our employees around the world. Their dedicated efforts made possible the fine results achieved in 1970.

PHILIP B. HOFMANN
Chairman of the Board

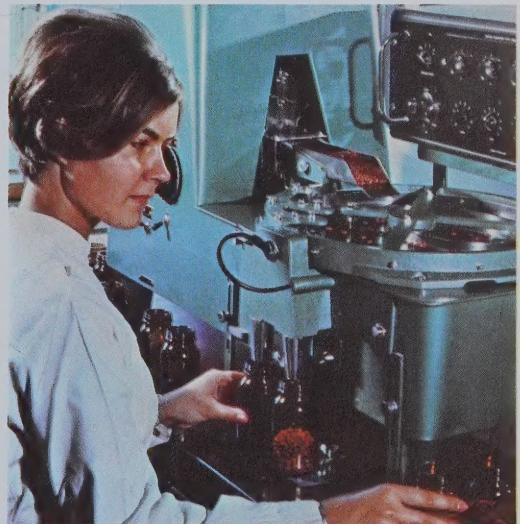
New Brunswick, New Jersey
March 15, 1971



Ethicon, Germany



Johnson & Johnson, Pakistan



Pharmaceutical Operations, Switzerland



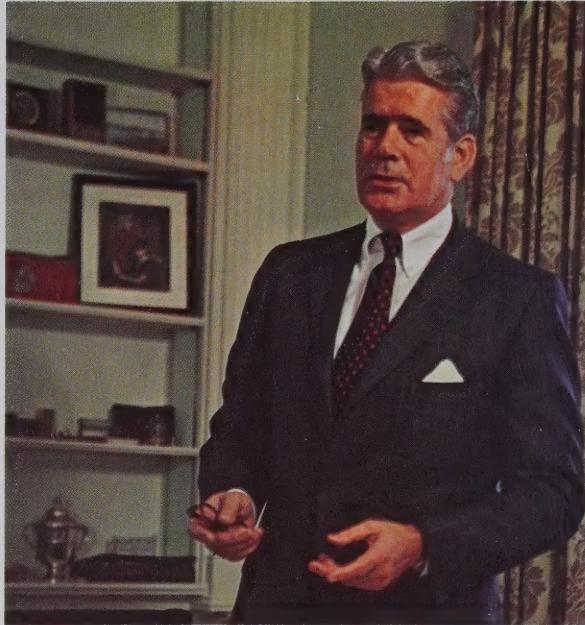
Baby Powder, India



Headquarters, Johnson & Johnson, Great Britain



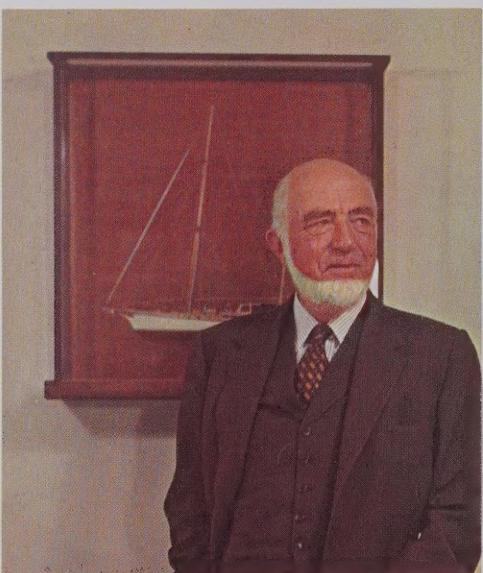
PHILIP B. HOFMANN
40 years of service



RICHARD B. SELLARS
32 years of service



FOSTER B. WHITLOCK
32 years of service



J. SEWARD JOHNSON
55 years of service



VINCENT J. ROBINSON
33 years of service

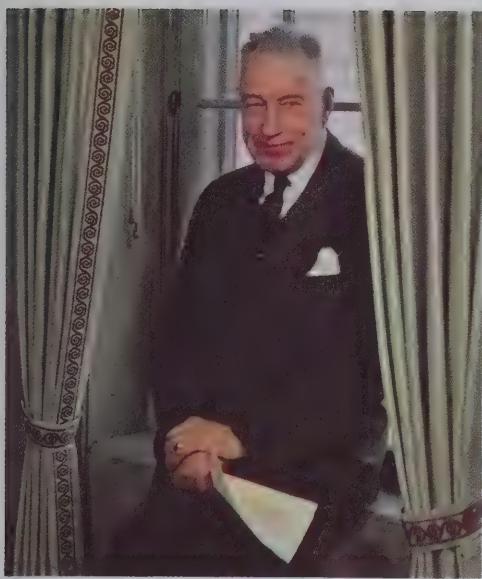


JOHN J. SMITH
35 years of service



HENRY S. MCNEIL
31 years of service

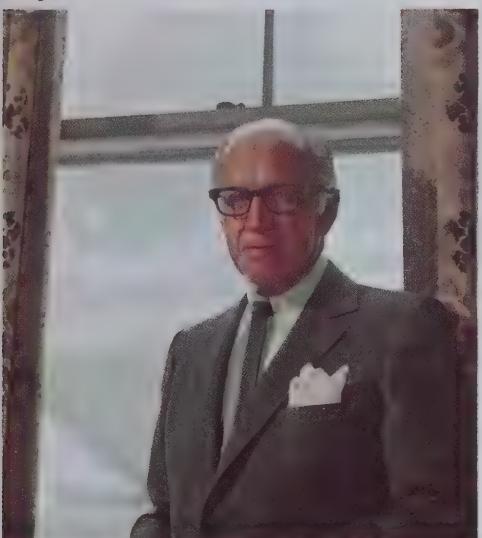
Johnson & Johnson Board of Directors



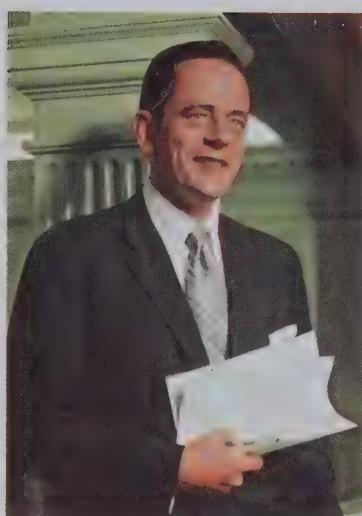
WAYNE J. HOLMAN, JR.
31 years of service



H M POOLE, JR.
30 years of service



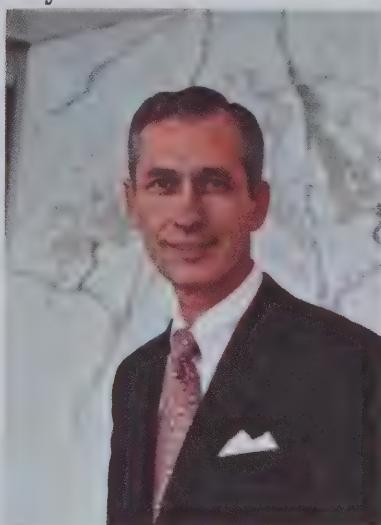
ROBERT J. DIXSON
29 years of service



DAVID R. CLARE
25 years of service



JAMES E. BURKE
18 years of service



ANTHONY J. ABBRUZZE
21 years of service



WILLIAM J. HAINES
13 years of service



STANLEY C. ANDERSON
19 years of service



ARTHUR S. LANE
4 years of service

Johnson & Johnson AND SUBSIDIARIES

Consolidated Balance Sheet at January 3, 1971 and December 28, 1969 (Note 1)

(Dollars In Thousands Except Per Share Figures)

Assets

	1970	1969
CURRENT ASSETS		
Cash and certificates of deposit	\$ 24,664	19,635
Temporary investments, at cost which approximates market value	118,183	84,379
Receivables, less allowance for collection losses and discounts \$5,164,000 (1969, \$4,418,000)	125,045	113,082
Inventories (Note 2)	167,912	153,440
Expenses applicable to future operations	7,953	7,165
Total current assets	<u>443,757</u>	<u>377,701</u>
PROPERTY, PLANT AND EQUIPMENT, AT COST (Note 3)		
Land and land improvements	26,776	25,077
Buildings	163,605	148,691
Machinery and equipment	184,302	166,804
Construction in process	27,482	26,676
	<u>402,165</u>	<u>367,248</u>
Less accumulated depreciation and amortization	163,005	147,445
	<u>239,160</u>	<u>219,803</u>
OTHER ASSETS	23,666	22,550
Total assets	<u><u>\$ 706,583</u></u>	<u><u>620,054</u></u>

Liabilities and Stockholders' Equity

	1970	1969
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 86,272	81,490
Federal and foreign taxes on income	32,228	24,545
Total current liabilities	<u>118,500</u>	<u>106,035</u>
LOANS AND NOTES PAYABLE AFTER ONE YEAR (for foreign purposes)	16,574	18,939
LONG-TERM LEASE OBLIGATIONS	8,920	8,990
CERTIFICATES OF EXTRA COMPENSATION	18,574	16,706
DEFERRED INVESTMENT TAX CREDIT	5,048	5,242
RESERVE FOR FOREIGN EXCHANGE LOSSES	3,500	3,500
MINORITY INTEREST IN FOREIGN SUBSIDIARIES	1,638	1,305
STOCKHOLDERS' EQUITY (Note 4)		
Par value of common stock at \$2.50 per share (\$5.00 per share 1969)	140,296	92,982
Additional capital	7,314	19,806
Retained earnings	391,850	353,685
	<u>539,460</u>	<u>466,473</u>
Less cost of common stock held in treasury	5,631	7,136
	<u>533,829</u>	<u>459,337</u>
Total liabilities and stockholders' equity	<u><u>\$ 706,583</u></u>	<u><u>620,054</u></u>

See Notes to Consolidated Financial Statements

Johnson & Johnson AND SUBSIDIARIES

Consolidated Statement of Earnings and Retained Earnings (Note 1)

For the 53 Weeks Ended January 3, 1971 and 52 Weeks Ended December 28, 1969
(Dollars In Thousands Except Per Share Figures)

Revenues	1970	1969
Sales to customers	\$1,002,035	901,880
Other revenues	14,687	13,261
Total revenues	<u>1,016,722</u>	<u>915,141</u>
 Costs and Expenses		
Cost of products sold	508,588	465,732
Selling, distribution and administrative expenses	312,677	274,682
Depreciation and amortization of property, plant and equipment	31,784	29,666
Federal and foreign taxes on income (includes Federal Surtax of \$1,622,000 in 1970 and \$5,497,000 in 1969)	73,934	70,461
Provision for foreign exchange losses	806	602
Other expenses	5,277	4,576
Total costs and expenses	<u>933,066</u>	<u>845,719</u>
 Net Earnings (Per share: 1970, \$1.51; 1969, \$1.27)	83,656	69,422
 Retained Earnings At Beginning Of Period	353,685	299,785
Stock split (net of \$20,000,000 charged to additional capital)	(26,604)	—
Cash dividends paid	(18,887)	(15,522)
 Retained Earnings At End Of Period	<u>\$ 391,850</u>	<u>353,685</u>

Consolidated Statement Of Common Stock, Additional Capital And Treasury Stock

For the 53 Weeks Ended January 3, 1971
(Dollars in thousands)

	Common Stock Issued		Additional Capital	Treasury Stock	
	No. Shares	Amount		No. Shares	Amount
Balance December 28, 1969	18,596,000	\$ 92,982	\$19,806	149,000	\$7,136
Stock issued to employees under options exercised and stock compensation agreements	329,000	710	7,546	—	—
3-for-1 stock split	37,194,000	46,604	(20,000)	298,000	—
Other changes	—	—	(38)	(85,000)	(1,505)
Balance, January 3, 1971	<u>56,119,000</u>	<u>\$140,296</u>	<u>\$ 7,314</u>	<u>362,000</u>	<u>\$5,631</u>

See Notes to Consolidated Financial Statements

Johnson & Johnson AND SUBSIDIARIES

Source of Funds and Their Use (Note 1)

For the 53 Weeks Ended January 3, 1971 and the 52 Weeks Ended December 28, 1969

(Dollars In Thousands)

Source of Funds

	1970	1969
Net Earnings	\$ 83,656	69,422
Depreciation and amortization of property, plant and equipment	31,784	29,666
Other charges against net earnings not affecting working capital	6,724	7,757
Proceeds from the sales of capital stock under option	4,353	7,218
Proceeds from the sales of property, plant and equipment	2,544	694
	<u>129,061</u>	<u>114,757</u>

Use of Funds

Additions to property, plant and equipment	52,783	55,486
Cash dividends paid	18,887	15,522
Other items—net	3,800	5,236
	<u>75,470</u>	<u>76,244</u>
INCREASE IN CONSOLIDATED WORKING CAPITAL	<u>\$ 53,591</u>	<u>38,513</u>

See Notes to Consolidated Financial Statements

Accountants' Report

To the Board of Directors of
Johnson & Johnson

In our opinion the accompanying consolidated statements (pages 10 to 12) present fairly the financial condition of Johnson & Johnson and subsidiaries at January 3, 1971 and December 28, 1969, and the results of their operations and the source and use of funds for the fifty-three and fifty-two week periods then ended, in conformity with generally accepted accounting principles applied on a consistent basis after giving retroactive effect to the inclusion, which we approve, of the accounts of foreign subsidiaries as explained in Note 1 to the consolidated financial statements. Our examination of these statements was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Lybrand, Ross Bros. & Montgomery

New York, New York
February 23, 1971

Note 1 The consolidated financial statements include the accounts of Johnson & Johnson and subsidiaries.

In 1970, the Company adopted the policy of consolidating all majority owned subsidiaries. In prior years all foreign subsidiaries were excluded from the consolidation and income was recognized only as received in the United States. The 1969 financial statements have been restated to include the accounts of the foreign subsidiaries and, accordingly, previously reported sales to customers, net earnings and earnings per share have been increased by \$254,156,000, \$10,726,000 and \$.20 (after giving effect to the 1970 stock split described in Note 4), respectively. Retained earnings at December 29, 1968 have also been increased by \$56,926,000 to reflect this change.

After translation of foreign currencies into United States dollar equivalents and elimination of inter-company profits and loans and accounts, the following amounts are included in the consolidated financial statements for subsidiaries located outside of the United States:

	January 3, 1971	December 28, 1969
Current assets	\$123,101,000	108,885,000
Current liabilities	63,909,000	50,466,000
Net property, plant and equipment	71,221,000	63,747,000
Parent company equity in net assets	108,810,000	93,371,000
Excess of equity of parent company over investment	83,286,000	66,746,000
Sales to customers	296,608,000	254,156,000
Net Earnings (after elimination of minority interest)	30,015,000	22,967,000

Assets and liabilities are translated at the approximate year-end rates of exchange except for property, plant and equipment accounts which are translated at the approximate rates of exchange at dates of acqui-

sition. Operating accounts, except for depreciation, are translated at approximate average rates for the respective years. Losses and gains resulting from translating asset and liability accounts have been reflected in net earnings.

Note 2 Inventories at January 3, 1971, valued at the lower of cost (principally on the first-in, first-out method) or market, comprised: raw materials and supplies \$49,507,000, goods in process \$33,525,000, and finished goods \$84,880,000.

Note 3 Depreciation and amortization of property, plant and equipment are determined generally for book and tax purposes by an accelerated method for domestic companies and principally on a straight-line basis for foreign companies.

Note 4 On April 14, 1970, the shareholders voted to increase the authorized number of shares of common stock from 21,000,000 to 63,000,000 with a change in par value from \$5.00 to \$2.50 and to issue two additional shares of common stock for each share held April 17, 1970. All previously reported number of shares and share-related data have been restated for the effect of the 1970 three-for-one stock split.

On April 14, 1970, the shareholders authorized 2,000,000 shares of preferred stock, without par value, issuable in a series as determined from time to time by the Board of Directors. As at January 3, 1971 none of these shares had been issued.

Compensation agreements and options with employees were outstanding at January 3, 1971 under which the Company may be required to deliver shares of common stock. For details see page 3 of Chairman's Report to Stockholders.

Note 5 The total Company cost, which includes current service cost and amortization of prior service cost at the rate of 10% of the initial amount, of the various retirement and pension plans in effect for employees of the Company and certain of its domestic and foreign subsidiaries, amounted to approximately \$8,816,000 in 1970 and \$7,508,000 in 1969. The amounts funded under these plans exceed the actuarially computed value of vested benefits at January 3, 1971.

Johnson & Johnson

Ten Year Statistical Summary *

(Dollars In Thousands Except Per Share Figures)

Johnson & Johnson and Subsidiaries

Income Data

	1970	1969	1968
Sales to customers	\$1,002,035	901,880	801,281
Other revenues	14,687	13,261	9,053
Total revenues	<u>1,016,722</u>	<u>915,141</u>	<u>810,334</u>
Cost of materials and services	499,128	454,590	408,766
Total employment costs	311,376	276,737	245,859
Federal and foreign taxes on income	73,934	70,461	58,714
State and local taxes	16,038	13,663	12,360
Depreciation and amortization of property	31,784	29,666	25,658
Provision for foreign exchange losses	806	602	1,363
Total costs and expenses	<u>933,066</u>	<u>845,719</u>	<u>752,720</u>

Net Earnings	<u>\$ 83,656</u>	<u>69,422</u>	<u>57,614</u>
Per share of common stock (1 and 2)	\$ 1.51	1.27	1.06
Percent of total revenues	8.2	7.6	7.1

Property, Plant and Equipment

Net investment	\$ 239,160	219,803	195,726
Additions during year	\$ 52,783	55,486	41,975

Total Assets	<u>\$ 706,583</u>	<u>620,054</u>	<u>544,410</u>
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Common Stock Information

Book value per share at year-end (2)	\$ 9.57	8.30	7.23
Shares outstanding (000 omitted) (1 and 2)	55,542	54,805	54,573
Stockholders	19,100	14,300	12,600

Employees	<u>38,200</u>	<u>37,400</u>	<u>35,600</u>
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*Previously reported data for 1969 and prior years have been restated to reflect worldwide consolidation effective with the year 1970.

(1) Calculated on the average number of shares outstanding during each year.

(2) After giving effect to the 1970 three-for-one common stock split and the 1967 200% common stock distribution.

<u>1967</u>	<u>1966</u>	<u>1965</u>	<u>1964</u>	<u>1963</u>	<u>1962</u>	<u>1961</u>
712,330	660,594	576,049	503,268	462,375	447,642	414,498
7,741	5,768	4,302	3,409	2,775	2,214	1,886
<u>720,071</u>	<u>666,362</u>	<u>580,351</u>	<u>506,677</u>	<u>465,150</u>	<u>449,856</u>	<u>416,384</u>
372,491	353,889	306,989	269,392	250,905	249,025	232,634
223,076	204,411	180,248	157,538	145,455	137,693	127,124
43,027	38,170	30,708	27,903	24,121	21,806	19,732
10,258	7,482	6,399	5,410	4,533	4,629	4,024
23,200	20,761	19,501	18,086	16,817	15,779	13,970
2,072	1,533	2,058	1,529	1,785	1,047	1,207
<u>674,124</u>	<u>626,246</u>	<u>545,903</u>	<u>479,858</u>	<u>443,616</u>	<u>429,979</u>	<u>398,691</u>
<u>45,947</u>	<u>40,116</u>	<u>34,448</u>	<u>26,819</u>	<u>21,534</u>	<u>19,877</u>	<u>17,693</u>
.85	.74	.64	.50	.40	.37	.33
6.4	6.0	5.9	5.3	4.6	4.4	4.2
182,278	160,198	137,473	120,123	112,349	105,057	99,737
46,196	44,715	32,215	27,559	24,005	23,048	23,181
476,087	420,810	380,924	319,862	283,328	265,204	252,783
6.32	5.60	5.16	4.67	4.37	4.10	3.85
54,294	53,922	54,228	53,637	54,000	53,850	53,880
11,600	8,800	8,400	7,700	7,300	6,850	6,200
33,500	32,900	29,600	26,600	25,500	25,700	25,500

Johnson & Johnson

Domestic Operations

Arbrook, Inc.—L. G. Marks, President
Arlington, Texas

Cel-Fibe—R. D. Glidden, President
Milltown, New Jersey; Wilmington, Illinois; Holyoke, Massachusetts

Cellulose Products Corporation—A. M. Quilty, President
Milltown, New Jersey

Chicopee Manufacturing Company—J. J. Smith, President
Anniston, Alabama; North Little Rock, Arkansas; Athens, Buford, Cornelia, Gainesville and Royston, Georgia; Chicopee Falls, Massachusetts; Manchester, New Hampshire; Milltown and New Brunswick, New Jersey; Benson, North Carolina; Pawtucket, Rhode Island; Walhalla, South Carolina

Chicopee Mills, Inc.—J. J. Smith, President
New York, New York

Codman & Shurtleff, Inc.—T. A. Jones, President
Randolph, Massachusetts

Devro, Inc.—F. R. Collier, President
Somerville, New Jersey; Lubbock, Texas

Ethicon, Inc.—J. A. Cormack, President
Bridgewater, New Jersey; Sunnyvale, California; Chicago, Illinois; San Angelo, Texas

Jelco Laboratories—W. B. Borsdorff, President
Raritan, New Jersey

Johnson & Johnson Domestic Operating Company—D. R. Clare, President
New Brunswick and North Brunswick, New Jersey; Atlanta, Georgia; Menlo Park, California; Chicago and Lemont, Illinois; Sherman and Wichita Falls, Texas

Johnson & Johnson International—R. B. Sellars, President
New Brunswick, New Jersey

McNeil Laboratories, Incorporated—H. W. McNey, President
Fort Washington, Pennsylvania

Ortho Pharmaceutical Corporation—W. H. Norman, President
Raritan, New Jersey

Permacel—T. W. Barron, President
North Brunswick, New Jersey

Personal Products Company—A. M. Quilty, President
Milltown, New Jersey; Sunnyvale, California; Wilmington, Illinois

Pitman-Moore, Inc.—H. W. McNey, President
Fort Washington, Pennsylvania

Windsor Minerals, Inc.—R. N. Miller, President
West Windsor, Vermont

Johnson & Johnson
International Operations

Argentina—Buenos Aires
Australia—Botany, Melbourne, North Ryde, Sydney
Austria—Vienna
Belgium—Beerse, Turnhout
Brazil—São José dos Campos, São Paulo
Canada—Montreal, Peterborough, Toronto
Colombia—Cali
Denmark—Copenhagen
Ecuador—Guayaquil
England—Earby, Gargrave, High Wycombe,
 Portsmouth, Slough
France—Auneau, Champigny, Paris, Sézanne
Germany—Alsbach, Bammental, Düsseldorf,
 Hamburg
Guatemala—Guatemala City
India—Bombay, Mulund
Ireland—Tallaght
Italy—Milan, Rome
Jamaica—Kingston
Japan—Tokyo, Totsuka
Kenya—Nairobi
Malaya—Kuala Lumpur
Mexico—México, D.F.
The Netherlands—Amersfoort, Cuyk
New Zealand—Auckland
Nigeria—Lagos
Pakistan—Karachi
Peru—Lima
Philippines—Manila
Portugal—Lisbon
Puerto Rico—San Juan
Scotland—Edinburgh, Glasgow
South Africa—East London, Johannesburg
Spain—Madrid
Sweden—Stockholm
Switzerland—Aargau, Schaffhausen
Thailand—Bangkok
Trinidad—Port-of-Spain
Venezuela—Caracas, Valencia
Wales—Pontllanfraith



Johnson & Johnson World Headquarters, New Brunswick, New Jersey



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